Low-Income Housing Income Tax Credit - Distribution of Credit to Partners/Shareholders

May a pass through entity such as a partnership, S Corporation or LLP allocate 100% of its Colorado low-income housing income tax credit to a limited partner having a minimal interest in the entity?

Yes, a partnership, S Corporation, LLP or other pass through entity may allocate the low-income housing tax credit in any manner agreed upon by all partners or shareholders. The allocation must be reported with Form 106 when filed and once the partners or shareholders claim the credits on their respective income tax returns, the allocation cannot be amended for that tax year.